# Towards Ending Chronic Homelessness

C. Theodore Koebel, Ph.D.
Center for Housing Research
Virginia Tech
Blacksburg, Virginia

## Defining Chronic Homelessness

An unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or has had at least four (4) episodes of homelessness in the past three (3) years.

### How many?

- 80% of the estimated 2-3 million people (approximately 43,000 in Virginia) who experience homelessness each year exit within 3-4 weeks
- 10% are homeless more episodically
- 10% experience chronic homelessness
- Between 4,000-8,000 chronic homeless in Virginia

## Who are they?

- At least 75% single male, 40% of whom are veterans
- At least 40% African American
- Chronic homeless tend to be older than the nonchronic homeless

## What issues do they face?

- 40% have substance use disorders
- 25% have physical disabilities or disabling health conditions
- 20% have serious mental illnesses
- Many have more than one of these conditions

## Why address chronic homelessness?

- They have greater difficulty exiting homelessness on their own
- They consume 50-80% of all resources available for the whole homeless population

## What prevents them from exiting homelessness?

- Persistent poverty
- Lack of affordable housing options
- Disabling health and behavioral conditions
- Service system barriers

#### Income

- Most rely on public programs for income
- Even with income support, they remain below the federal poverty level
- Many do not receive benefits they are entitled to
- People who abuse substances and are not in treatment are not eligible for SSI

## Housing

- Lack of affordable housing options
- People with disabilities on SSI must pay 98% of income to rent a one-bedroom unit at Fair Market Rent
- Average wait for Section 8 rental assistance is now more than two years
- Landlords are reluctant to accept high risk tenants

## Permanent housing

- About 7800 units required in Virginia
- \$300 to \$440 million needed in capital subsidies
- Plus approx. \$140/unit/month for operating expenses
- Permanent supportive housing is too expensive to be main solution
- New funding required for capital subsidy

## Emergency shelters vs. permanent housing

- Approximately \$25 per day per bed (total cost of shelters divided by total number of beds divided by days in the year)
- The approximate cost per day to provide permanent supportive housing is \$18 compared to \$26 for emergency shelter
- Recent research in NYC shows that permanent supportive housing cost \$17,300/person but saves \$16,300/person in social services among those with serious mental illness

## Key policy options

- Prevention is essential and cost effective
- Rapid return to permanent housing should occur when prevention fails
- Provision of permanent supportive housing should be reserved for those with chronic, severe problems
- Interagency coordination is necessary, possibly through a lead agency
- Partner with community associations and families

#### What we need to know?

- Characteristics of the homeless population in Virginia, including factors influencing entry and exit from homelessness
- Effective prevention strategies and intervention points
- Relationship between discharge and homelessness
- Comprehensive data on current services and costs